

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA

DOCKET NO. 93-032-R - ORDER NO. 93-186

MARCH 1, 1993

IN RE: Application of United Parcel Service (UPS), ) ORDER  
400 Perimeter Center, Terraces North, ) GRANTING  
Atlanta, Georgia 30346, for Authority to ) APPLICATION  
Amend Tariff Supplement No. 5 to PSCSC )  
MF No. 6. )

This matter comes before the Public Service Commission (the Commission) on the January 6, 1993 Application of United Parcel Service (UPS or the Company) for authority to amend Tariff Supplement No. 5 to PSCSC MF No. 6 to increase rates and charges.

After the requisite notice, two Petitions to Intervene were received, one from Fresh Beginnings, Inc., and one from Mike Shelton of The Mike Shelton Company. The Commission, however, holds that neither petitioner has standing to intervene in this case, since neither petitioner is an intrastate shipper utilizing UPS services. Several letters were received that favored the proposed increase.

The UPS Application would allow an overall 9% increase in intrastate rates and charges for the shipping of goods. The January 6, 1993 Application states that the purpose of the proposed rate increase is to partially offset the increase in labor rates and other operating costs, including a 55¢ per hour increase in wage rates which became effective on August 1, 1992,

and was part of a labor agreement with the International Brotherhood of Teamsters.

The proposed ground service package rates include increases for packages destined for commercial and residential consignees. UPS also proposes the following accessorial charges to be increased: C.O.D. charge from \$4.00 to \$4.50, Hazardous Material charge from \$5.00 to \$6.00, and Electronic Call Return charge from \$1.60 to \$2.00 (\$1.10 to \$1.25 for Call Return requests transmitted via shipper's own electric equipment). UPS also proposes to increase the minimum billing weight for packages which measure over 84 inches up to 130 inches in length and girth combined from 25 pounds to 30 pounds. The Company also proposes various other increases in rates and charges as outlined in the Application.

Based on the Commission Staff review, UPS is earning an operating ratio of 104.6% presently. If the Company's per book revenues were adjusted for the estimated increase of 9%, the operating ratio would decrease to 96.31%.

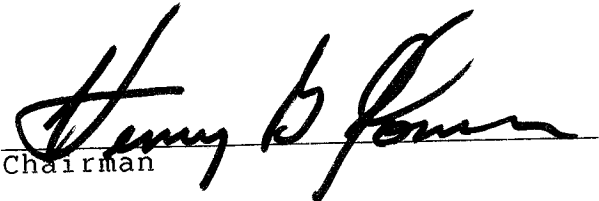
After an examination of the proposed increase and the resulting operating ratio, this Commission is of the opinion that the proposed UPS rate increase should be granted as filed, in order to partially offset the increase in labor rates, and other operating costs.

DOCKET NO. 93-032-R - ORDER NO. 93-186  
MARCH 1, 1993  
PAGE 3

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This Order shall remain in full force and effect until  
further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)